

## Message Text

UNCLASSIFIED

PAGE 01 BONN 02157 01 OF 02 041407Z  
ACTION ITC-01

INFO OCT-01 EUR-12 EA-09 ISO-00 EB-08 COME-00 TRSE-00 /031 W  
-----041428Z 057673 /50

R 041357Z FEB 77  
FM AMEMBASSY BONN  
TO SECSTATE WASHDC 5339  
INFO AMEMBASSY BERN  
AMEMBASSY PARIS  
AMEMBASSY TOKYO  
USMISSION EC BRUSSELS

UNCLAS SECTION 01 OF 02 BONN 02157

TAGS: ETRD, GW  
SUBJECT: ASSISTANCE TO SEMICONDUCTOR AND SUBSIDIARY  
ELECTRONIC WATCH INDUSTRY BY GERMAN GOVERN-  
MENT

REF: A) STATE 3896 B) BONN 2125

1. IN AN EFFORT TO ASSURE THE COMPETITIVENESS OF  
THE GERMAN WATCH INDUSTRY, (SEE REF B) TO MAINTAIN  
THE PRESENT NUMBER OF JOBS, AND TO HELP OVERCOME  
FUTURE STRUCTURAL PROBLEMS, THE FEDERAL GOVERNMENT  
DECIDED IN MID-1976 TO MAKE AVAILABLE DM 12 (\$5)  
MILLION FOR RESEARCH AND DEVELOPMENT IN FAVOR  
OF THE PRODUCTION OF ELECTRONIC WATCHES AND  
CLOCKS. THESE FUNDS ARE ADMINISTERED BY THE  
FEDERAL MINISTRY OF RESEARCH AND TECHNOLOGY  
AND ARE TO BE MADE AVAILABLE TO THREE INSTITUTES  
OF THE FRAUNHOFER GESELLSCHAFT IN MUNICH AS  
FOLLOWS: (A) INSTITUT FUER SYSTEMTECHNIK UND  
INNOVATIONSFORSCHUNG (ISI - INSTITUTE FOR  
SYSTEM TECHNOLOGY AND INNOVATION RESEARCH),  
KARLSRUHE; (B) INSTITUT FUER ANGEWANDTE FEST-  
KOERPERPHYSIK (IAF - INSTITUTE FOR APPLIED  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BONN 02157 01 OF 02 041407Z

PHYSICS OF SOLID SUBSTANCES), FREIBURG; AND  
(C) INSTITUT FUER FESTKOERPERTECHNOLOGIE (IFT -  
INSTITUTE FOR TECHNOLOGY OF SOLID SUBSTANCES),  
MUNICH. THE ISI IS THE COORDINATING INSTITUTE  
AND THE RESPONSIBLE PROJECT DIRECTOR IS DIPL.  
ING. KLAUS P. FRIEBE.

2. WITHIN THE FRAMEWORK OF FRG REGULATIONS, THE FUNDS ARE MADE AVAILABLE FOR PROJECTS ONLY IF THE RESPECTIVE APPLICANT FINANCES 50 OF THE COSTS OF THE PROJECT HIMSELF. DEPENDING ON THE NATURE OF EACH PROJECT, A REQUEST CAN BE CLASSIFIED AS BEING "MARKTNAH" (CLOSE TO THE MARKET) IN WHICH CASE THE FUNDS HAVE TO BE REPAYED IN ANNUAL INSTALLMENTS (PROVIDED THE PROJECT HAS POSITIVE RESULTS). OTHERWISE THE FUNDS CAN BE MADE AVAILABLE AS GRANTS. THE PROGRAM RUNS FOR A PERIOD OF 4 YEARS (1976 TO 1979) AND IS CONSIDERED A TEMPORARY MEASURE.

3. THE NATURE OF THE PROJECTS TO BE PROMOTED MUST LIE IN THE FOLLOWING TECHNICAL RANGES:

A. INTEGRATED MODULES WITH THE EMPHASIS ON: IMPROVEMENT OF CMOS MODULES; DEVELOPMENT OF MODULES ON THE BASIS OF THE NEW TECHNOLOGIES I2L AND SOS; AND FURTHER TECHNOLOGICAL DEVELOPMENT TOWARDS REDUCING THE POWER CONSUMPTION OF MODULES.

B. CONVERTERS AND GEARINGS WITH EMPHASIS ON: NEW OR IMPROVED CONVERTERS FOR WATCHES AND CLOCKS WITH LOW POWER CONSUMPTION AND SMALL VOLUME, ADJUSTED TO NEW MODULES; AND MINIATURIZED, LOW-FRICTION GEARS FOR ELECTRONIC WATCHES TAKING INTO CONSIDERATION THE NEW SPECIFICATIONS OF ANALOGUOUS CRYSTAL WATCHES AND CONSIDERING THE UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BONN 02157 01 OF 02 041407Z

ASPIRED FLAT METHOD OF PRODUCTION.

C. DISPLAYS WITH EMPHASIS ON: DEVELOPMENT OF DIGITAL CLOCK DISPLAYS WITH GOOD LEGIBILITY AND LOW POWER CONSUMPTION; AND DEVELOPMENT OF NEW DISPLAY TECHNOLOGIES FOR USE IN WATCHES, ESPECIALLY ELECTROCHROME DISPLAYS.

D. ENERGY SUPPLY FOR ELECTRONIC WATCHES WITH EMPHASIS ON: BATTERIES OF HIGH ENERGY DENSITY AND LONG DURABILITY AND RECHARGEABLE BATTERIES IN CONNECTION WITH THE APPLICATION OF SOLAR ENERGY.

4. THE ABOVE PROMOTION PROGRAM WAS PROPOSED BY A "WATCHES WORKING GROUP" WHICH WAS CONSTITUTED IN

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 BONN 02157 02 OF 02 041405Z  
ACTION ITC-01

INFO OCT-01 EUR-12 EA-09 ISO-00 EB-08 COME-00 TRSE-00 /031 W  
-----041427Z 057656 /50

R 041357Z FEB 77  
FM AMEMBASSY BONN  
TO SECSTATE WASHDC 5340  
INFO AMEMBASSY BERN  
AMEMBASSY PARIS  
AMEMBASSY TOKYO  
USMISSION EC BRUSSELS

UNCLAS SECTION 02 OF 02 BONN 02157

NOVEMBER 1975 AND IN WHICH MEMBERS FROM THE FOLLOWING INSTITUTIONS ARE REPRESENTED: INDUSTRY, PERTINENT ASSOCIATIONS, TRADE UNIONS, THE FEDERAL MINISTRIES OF RESEARCH AND TECHNOLOGY AND OF ECONOMICS AND THE BADEN-WUERTTEMBERG STATE MINISTRY FOR ECONOMICS AND TRANSPORTATION. THE WORKING GROUP HAS THE OBJECTIVES OF DISCUSSING NEW TECHNOLOGICAL POSSIBILITIES; WORKING OUT CONCEPTS OF COOPERATION WITHIN THE FRG ELECTRONIC WATCH PRODUCING INDUSTRY; AND DEVELOPING INTEGRATED MODULES AND DISPLAYS FOR WATCHES AND CLOCKS JOINTLY WITH GERMAN PRODUCERS OF STRUCTURAL ELEMENTS.

5. FOR A BETTER ASSESSMENT OF THE TECHNOLOGICAL AND MARKETING SITUATION OF THE WATCH AND CLOCK INDUSTRY, THE FEDERAL MINISTRY OF RESEARCH AND TECHNOLOGY HAS CHARGED AN UNSPECIFIED CONSULTING FIRM WITH THE PREPARATION OF A STUDY. THIS STUDY IS TO EXAMINE THE TRENDS OF WATCH TECHNOLOGIES THROUGH 1985 AND THE CORRELATION OF RELEVANT MARKET PROCESSES. SIMULTANEOUSLY A SOCIAL-SCIENTIFIC SURVEY IS TO FORECAST THE

UNCLASSIFIED

PAGE 02 BONN 02157 02 OF 02 041405Z

EFFECTS OF STRUCTURAL CHANGES ON THE SOCIAL  
SURROUNDINGS AND THE ECONOMIC ORGANIZATION  
FORMS. BOTH ARE EXPECTED TO BE COMPLETED IN THE  
SECOND QUARTER OF 1977.

6. WE ARE POUCHING TODAY TWO COPIES OF A  
BROCHURE (IN GERMAN) PREPARED BY THE FEDERAL  
MINISTRY OF RESEARCH AND TECHNOLOGY DESCRIBING  
IN GREATER DETAIL THE FEDERAL ASSISTANCE PLANS  
FOR THE WATCH INDUSTRY.

STOESSEL

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INDUSTRY, SUBSIDIES, INVESTORS, SEMICONDUCTOR DEVICES, WATCHES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 04-Feb-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977BONN02157  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770040-1192  
**Format:** TEL  
**From:** BONN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770274/aaaacmyt.tel  
**Line Count:** 182  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** bedc97cb-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION ITC  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 STATE 3896, 77 BONN 2125  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 13-Oct-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3411488  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ASSISTANCE TO SEMICONDUCTOR AND SUBSIDIARY MENT  
**TAGS:** ETRD, GE  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/bedc97cb-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009